

Before the
Federal Communications Commission
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Amendment to the Commission's) WT Docket No. 95-157
Rules Regarding a Plan for Sharing)
the Costs of Microwave Relocation)

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To: Michele C. Farquhar
Chief, Wireless Telecommunications Bureau

COMMENTS

BellSouth Corporation, on behalf of itself, BellSouth Personal Communications, Inc., and BellSouth Cellular Corp. (collectively "BellSouth"), by its attorneys, respectfully submits comments concerning the clearinghouse business plans filed on May 24, 1996, by the Personal Communications Industry Association ("PCIA") and the Industrial Telecommunications Association, Inc. ("ITA"). The business plans were filed in response to the Wireless Telecommunications Bureau's April 25, 1996, Public Notice.¹ The Commission intends to delay adoption of its cost-sharing rules until the Bureau selects an administrator for the clearinghouse.² For the reasons set forth herein, BellSouth supports the selection of only one clearinghouse and encourages the Bureau to select PCIA promptly.

¹ See *Wireless Telecommunications Bureau Solicits Business Plans from Parties Interested in Becoming the Clearinghouse that Will Administer the 2 GHz Relocation Cost-Sharing Plan*, Public Notice DA 96-647 (April 25, 1996) (the "Public Notice").

² See *Amendment to the Commission's Rules Regarding a Plan for Sharing the Costs of Microwave Relocation, First Report and Order and Further Notice of Proposed Rule Making* in WT Docket No. 95-157, FCC 96-196 released April 30, 1996, summarized 61 Fed. Reg. 24,470 (May 15, 1996), at 41 (1185).

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I. THERE SHOULD BE ONLY ONE CLEARINGHOUSE

First, the Bureau must decide if there should be one or more clearinghouses. There is no obvious benefit to having more than one clearinghouse. Rather, there are obvious detriments.

Authorizing PCIA and ITA to be clearinghouses will cause inefficient administration of the cost-sharing rules and unnecessary cost duplication. The clearinghouse concept should facilitate cost-sharing. Multiple clearinghouses will not accomplish that goal.

If there is one clearinghouse, the relocators will have one set of procedures to master, one place to file prior coordination notices and only one entity with which to file its sensitive cost information. Moreover, the PCS industry already is obligated to pay for its licenses at auction and for the relocation of a multitude of microwave facilities. Multiple clearinghouses will add unnecessarily to the industry's start-up expenses and thereby reduce the net amount the industry will recoup from cost-sharing.

The exchange of sensitive cost information between clearinghouses is a significant issue. This information must be treated with confidentiality. Multiple clearinghouses would have to share information. Such sharing only heightens the risk of inadvertent or unauthorized release of the information. One clearinghouse eliminates the need for an exchange of this information.

One clearinghouse is sufficient to meet the needs of the PCS industry and is the most cost effective and administratively efficient approach to implementation of the Commission's cost-sharing plan.

II. PCIA SHOULD BE THE SOLE CLEARINGHOUSE

The Bureau has "tentatively concluded that PCIA should be designated as a cost-sharing clearinghouse to administer the Commission's cost-sharing plan."³ Based on the need for only one clearinghouse and a comparison of the PCIA and ITA proposals,

BellSouth encourages the Bureau to designate PCIA as the sole clearinghouse.

BellSouth has worked closely with PCIA for nearly a year in the development of many of the components of the PCIA business plan. PCIA is cognizant of the myriad of issues which the PCS licensees as relocators have encountered. PCIA has demonstrated this specialized knowledge in its clearinghouse plan and its comments throughout the instant proceeding. There is no indication that ITA has worked with or consulted with any PCS licensee in the formulation of its plan.

PCS licensees should have a role in the governance of the clearinghouse. PCIA wants fifteen industry representatives to form the board of directors for its nonprofit membership corporation.⁴ BellSouth favors this approach to running the clearinghouse. The PCS licensees will have first-hand experience with the relocation process which will aid PCIA in devising procedures to address the routine relocation situations as well as the unique ones.

ITA would ignore such advice.⁵ In its business plan, ITA states that, "[s]ignificant representation by a clearinghouse toward any particular segment of either the PCS

³ See *Public Notice*, *supra*, at 2.

⁴ See PCIA Clearinghouse Plan, filed May 24, 1996, at 4 and Ex. B, at 6.

⁵ See ITA's "Business Plan for the Administration of a 2 GHz Microwave Relocation Cost-sharing Clearinghouse," filed May 24, 1996, at 66-67 ("ITA's Plan").

industry or the microwave industry may serve inadvertently to skew the process in favor of one segment of the industry over another."⁶ The statement evidences a basic misunderstanding of the clearinghouse process.

When a relocater files with the clearinghouse, the microwave incumbent will have contracted for compensation for its relocation. Thus, incumbents have no role in the cost-sharing process.⁷ Clearly, PCS licensees do. If for no other reason, it is their money that is paying for the incumbents' relocations.

PCIA will create a separate membership corporation to administer the clearinghouse function.⁸ ITA will make it a department within its existing structure.⁹ The PCIA concept sets up the clearinghouse as a distinct entity governed by an elected board. PCIA's proposal affords the clearinghouse a degree of independence not offered under ITA's plan. Instead, ITA's forty-two member board will have the added responsibility of setting policy for the ITA Clearinghouse Division.¹⁰ On the other hand, the independent fifteen member board in the PCIA clearinghouse concept will be elected for the sole purpose of guiding the clearinghouse. The PCIA clearinghouse board will not have the distractions of managing anything other than the clearinghouse. BellSouth supports PCIA's more focused approach.

⁶ See ITA's Plan, *supra*, at 6-7.

⁷ On May 28, 1996, BellSouth filed comments in response to the Further Notice of Proposed Rule Making in this proceeding which opposed allowing microwave incumbents to relocate themselves and opposed their participation in cost sharing.

⁸ See PCIA Clearinghouse Plan, filed May 24, 1996, at 4, Exs. A and B.

⁹ See ITA's Plan, *supra*, at 74.

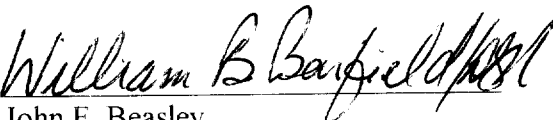
¹⁰ See ITA's Plan, *supra*, at Ex. C-1, at 89-90.


CONCLUSION

BellSouth supports the selection of only one clearinghouse. Multiple clearinghouses will not facilitate the cost-sharing process and will add unnecessary expense and complexity to the clearinghouse function. For this reason and the others stated above, PCIA should be the sole cost-sharing clearinghouse.

Respectfully submitted,

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June 10, 1996

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CERTIFICATE OF SERVICE

I hereby certify that I have this 10th day of June, 1996 served a copy of the foregoing "Comments" on the following persons by first-class mail, postage prepaid or by hand delivery.


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